



Doing Business In Senegal: A Country Commercial Guide for U.S. Companies

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Chapter 1: Doing Business In Senegal

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Market Overview

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- With its capital city of Dakar located on the westernmost point of Africa, Senegal is a gateway to the continent. This semi-arid country slightly smaller than South Dakota has some of the best transportation, telecommunications and communication infrastructure in West Africa. Dakar, Senegal's capital city has become the transportation hub of West Africa region, with a number of airlines flying eastbound towards the other African countries and northbound to Northern Africa (Morocco and Tunisia), Europe and the United States. With the recent arrival of Delta and South African Airways, there are currently three daily flights between the U.S., Senegal and South Africa. The Port of Dakar is the first major port-of-call from Europe and is well served by major shipping lines. The Port serves as an entrepot transshipment center for landlocked nations in West Africa. The Port of Dakar has deep draft at 11 meters and a wide access channel, which allows around-the-clock access.
- Many companies use Senegal as a regional center for their West Africa operations. With continued instability in Cote d'Ivoire, there has been some relocation of regional operations from Abidjan to Dakar over the past six years. Senegal is one of Africa's most politically and economically stable countries. Since independence from France in 1960, Senegal has been a functioning democracy. Free and fair elections in 2000 brought President Abdoulaye Wade to power, ending 40 years of Socialist Party rule. He was re-elected on February 25, 2007.
- Senegal's economy has grown consistently at rates close to 5 percent since the mid-1990s, but due to a deep energy crisis and the demise of Senegal's phosphate and fertilizer sector, growth has fallen to 2.1 percent in 2006 but has likely rebounded to around 4.8 percent for 2007. Monetary policy is controlled by the regional central bank, the West African States Central Bank (BCEAO), headquartered in Dakar.
- Senegal's economy remains vulnerable to external factors; rainfall, international tourist demand and variable commodity prices. Fish, phosphates and peanuts (in the form of peanut oil) are major exports, with tourism an important additional foreign exchange earner. A significant Senegalese expatriate community also returns – through formal and informal networks - important amounts of foreign exchange to Senegal in the form of remittances estimated at US dollars 1.8 billion in 2007.

- Signaling the priority placed by the Wade administration on attracting foreign investment, the Government created the Investment Promotion Agency (APIX) in 2000. Foreign Direct investment inflows averaged \$54 million in 2005. FDI reached its peak during the era of privatizations in the late nineties. Despite its political and economic stability, Senegal has significant developmental challenges ahead, especially in raising education and health standards for its people. In April 2004, Senegal achieved its Heavily Indebted Poor Countries (HIPC) completion point, permitting Paris Club debt reduction totaling \$488 million in net present value for the period of 2004-2010. In October 2007, multilateral and bilateral donors pledged USD 4 billion in financial assistance over 2007—2010 to support Senegal's economic programmes that include the Poverty Reduction Strategy Paper (PRSP) and the accelerated growth strategy (AGS).
- The Senegalese are generally well disposed towards Americans, and actively seek U.S. trade and investment. In the past, the country's historic ties to France and its relatively small domestic market have limited U.S. commercial relationships here, but that is changing, albeit slowly. U.S. investment in Senegal increased significantly in the late 1990s but has slowed since then. In 2006, U.S. exports to Senegal decreased significantly compared to 2005. They were \$ 96.9 million, down from \$158 million in 2005. In 2007, U.S. exports to Senegal were boosted again when they totaled \$139.1 million. France, nonetheless, remains Senegal's largest trading partner, supplying approximately 16 percent of Senegal's import needs. Other important trading partners are Dubai, Morocco, Nigeria, China, Brazil and Thailand.
- In 2006, Senegal exports to the U.S. soared to \$20 million, compared to 4 million in 2004, perhaps due in large part to the fact that Senegal is eligible for benefits under the African Growth and Opportunity Act (AGOA) passed by Congress in 2000 whereby more than 6,000 products manufactured or produced in Sub-Saharan Africa can be exported to the U.S. duty free.
- Senegal's AGOA-facilitated exports remain low, due to the country's overall lack of production capacity. With agricultural exports focused primarily on Europe, Senegal has yet to seriously assess phyto-sanitary requirements to systematically export Senegal's produce to the U.S. While fresh green beans have been shipped to the U.S. on an ad hoc basis, transportation and distribution mechanisms need to be coordinated to ensure regular exports to the U.S. Now that the U.S. Department of Agriculture has opened an Animal and Plant Health Inspection Service (APHIS) office in Senegal, the Government of Senegal (GOS) is hopeful that Senegal's agricultural producers will quickly undertake the necessary pest risk assessments and meet all the necessary phyto-sanitary requirements to export produce to the U.S. taking full advantage of the AGOA benefits.

- Despite Senegal's openness to the rest of the world, French influence remains strong.
- Senegal's commercial climate is challenging for U.S. companies accustomed to a business environment where the driving forces remain fair competition, transparent rules and a level playing field. In Senegal, there is a continually perceived lack of transparency in the allocation of public contracts. This is particularly the case in the fast-expanding construction sector where allegations of corruption have motivated aggressive inquiries from the press, civil society and opposition parties.
- The judicial system is time consuming and expensive. The average time to settle a case in the Senegalese state court system is five years, and up to twenty years when the decisions are turned over to the Court of Appeals.
- Although the Senegalese constitution provides for an independent judiciary, allegations of corruption of judges and magistrates in Senegal have tarnished the image of the judiciary and put its impartiality under close scrutiny.
- Senegal lacks commercial courts staffed with trained judges, thus rendering court decisions inconsistent and non-transparent.
- Senegal's bureaucracy remains significantly burdensome.
- The domestic market is small by U.S. standards, and represents 11 million consumers with an average per capita GDP of \$709. As a result, U.S. companies interested in this market should have a regional strategy and consider Dakar as a hub for the West African region.

Market Opportunities

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- Although Senegal's domestic market is relatively small, there are opportunities for U.S. companies. Senegal remains an excellent choice for companies interested in doing business with other countries in the region.
- The top ten sectors offering potential for U.S. companies are telecommunications, power generation systems, construction equipment, medical equipment, wastewater treatment technology, agricultural commodities, computers and peripherals, used clothing and cosmetics.
- Key business and investment opportunities include power generation, infrastructure projects (airport, port and road), travel, tourism and transport, and waste water treatment.
- The largest major projects in Senegal remain the construction of a new airport in Diass, about 45 kilometers outside Dakar, to replace the existing Leopold Sedar Senghor airport and the Arcelor Mittal iron ore project. The new *Aéroport*

International Blaise Diagne will make Senegal a major sub-regional hub with the latest technology in airport safety and security. Following an international tender, management of the new airport was awarded to Fraport, the German firm currently managing the Frankfurt airport. The Saudi construction company Ben Laden has been selected to build the airport.

- In July 2007, Arcelor Mittal signed a mineral development concession with the Government of Senegal to develop iron ore deposits near Faleme, in Southeast Senegal. Total estimated iron reserves are around 750 million metric tons. The operations due to start in 2011 include mining in Faleme, laying 467 miles of railway to link the mine and the port, building a mineral port in Bargny to facilitate the export of iron ore, phosphate and zirconium, and erecting a steel plant. Arcelor Mittal has offered to finance the entire package for USD 2.2 billion in exchange for exceptional investment incentives. In May 2007, the Senegalese Parliament approved a new bill, which offers unique fiscal and customs advantages for any investment superior than USD 500 million.
- While the privatization of Senelec, the power utility, is at the heart of the planned restructuring of the energy sector, Senegal faces an urgent need to accelerate capital investment as power demand climbs. Lately, Senelec has commissioned additional capacity – 60 MW for the Kounoune plant. The projects to build three IPPs – 70 MW for Kounoune 2, 60 MW in Tobene and a 125 coal-fired plant in Sendou - will certainly alleviate Senelec's production gap, which calls for investment in power generation of \$324 million. Additional investment opportunities in the power sector exist in rural electrification, the rehabilitation and/or replacement of Senelec's antiquated plants, and the construction of transmission and distribution lines. Hydroelectricity as an alternative to diesel power is also on the radar screen. Notwithstanding the tri-country Manantali dam already operational, hydro-sourced power has great potential in the sub-region (600 MW are available among Guinea, The Gambia and Senegal).
- Senegal is a MCA-eligible country, but does not currently have a compact proposal under consideration.

Market Entry Strategy

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- The specific type of representation that a U.S. firm establishes in Senegal must be tailored to fit the individual requirements of the product and its potential market. U.S. firms may employ the services of an agent, appoint a distributor or dealer, and/or establish a direct sales branch or subsidiary. Preferably, the agent or the distributor should be a local business/firm, fluent in French and aware of Senegal's business practices. If the product requires some servicing, the U.S. exporter should make available a reasonable inventory of spare parts to his agent or distributor. U.S. companies also should provide brochures and marketing literature in French.
- After-sales support and service are critical for sophisticated and heavy industrial equipment such as telecommunications products, industrial machinery, computer hardware and photocopiers. Product recalls are virtually unknown in Senegal.

- There is no substitute for face-to-face contacts.
- Once the decision to open a business in Senegal is made, the U.S. businessperson will require legal counsel and a *notaire* (notary) for all the legal formalities associated with the incorporation of a company. The Embassy has available a list of lawyers and notaries. It is advisable that U.S. firms approach firms specializing in financial and tax advisory services. Well-qualified representatives of major U.S. and international auditing and business consulting firms are located in Senegal.

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Chapter 2: Political and Economic Environment

For background information on the political and economic environment of the country, please click on the link below to the U.S. Department of State Background Notes.

<http://www.state.gov/r/pa/ei/bgn/2862.htm>

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Using an Agent or Distributor

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- The U.S. Embassy's U.S. Commercial Section provides an array of fee-based services to help U.S. companies identify suitable partners in the region. Please contact the embassy's Commercial Section at www.export.gov.

Establishing an Office

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- Suitable office space in downtown Dakar has become a challenge. More and more companies are leaving the crowded downtown area for less crowded midtown locations. U.S. companies may seek the services of real estate agencies and realtors in their quest for office space.
- The "Guichet Unique," or one-stop-shop, at the Government's Agency for the Promotion of Investment and Infrastructure (APIX), is the first stop for foreign investors interested in establishing a business in Senegal and qualifying for

investment incentives. APIX is committed to simplifying the registration process and to gaining an investor-friendly image for Senegal. APIX was created in June 2000 by incoming President Wade, and is the linchpin of Senegal's foreign investment promotion policy.

- Foreign investors also need the assistance of a “notary” in order to register and incorporate their company under the newly created OHADA, a regional initiative to harmonize commercial codes in Francophone Africa. In French practice, the notaire or notary has completely different functions from a U.S. notary. The notary is a specialist in contracts and legal documents. The most common legal forms of incorporation are as the branch of a foreign company (“succursale”), a limited liability company (“société à responsabilité limitée – SARL”) and a public corporation (“société anonyme – SA”). Once registered, a branch is regarded as a Senegalese judicial entity.
- All SARLs must have a minimum capital of CFA francs (CFAF) 1 million (\$2,200) and at least one shareholder. The minimum capital required to create a public corporation is CFAF 10 million (\$22,200) with a minimum of one shareholder. (CFAF 450=\$1—January 2008).
- Other types of business structures include sole proprietorship, regional office, local agency and distributorship.

Franchising

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- Limited to international car rental agencies until recently, the franchising market is slowly growing. There is a potential for much more growth in the franchise sector due to Dakar's leading role as a hub for industries and services. The recent inauguration of a modern commercial center in Dakar bodes well for franchisors interested in the market.
- Franchises in apparel and clothing, dry cleaning and car servicing, mostly French brands, have opened recently. Local grocery stores and office supply stores have begun to franchise their businesses throughout Senegal.
- U.S. franchises are essentially absent from the market, except for a few car rental agencies, such as Hertz and Avis. Senegalese entrepreneurs are vying for U.S. master franchises. With the marked interest in establishing franchises in Senegal, business entrepreneurs have created a franchise association to develop the sector and attract international franchises.
- American franchisors need to be educated on the local market, whereas Senegalese franchisees have to become familiar with the legal intricacies of a franchise contract.

Direct Marketing

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- A number of advertising agencies may perform direct marketing at the request of U.S. companies

Joint Ventures/Licensing

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- The Senegalese investment code provides incentives for joint venture business operations. Joint venture partnerships should specify the responsibility of each party since many local entrepreneurs expect that all costs will be borne by the foreign investor. Although increasingly interested in joint venture activities, Senegalese entrepreneurs typically have little equity to offer.
- Senegalese law does not contain any specific provision for licensing. The primary consideration is the formalization of a remittance procedure for any fees and royalties to the licensor, in compliance with local tax laws. In Senegal, licensing agreements are common in the tobacco, food and soft drink industries. For instance, Philip Morris until recently manufactured products under license. Nestlé (for some products) and Coca-Cola products are also under license in Senegal.

Selling to the Government

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- The Government remains a significant customer and in some cases the largest. Recently less and less government procurement has been done through competitive bidding. However, the procurement process for major infrastructure projects financed by multilateral lending organizations such as the World Bank and its affiliate the International Finance Corporation (IFC), the African Development Bank (AfDB), the West African Development Bank (BOAD) and the Islamic Development Bank (IDB) is more transparent. Calls for bids are published in local newspapers, and occasionally internationally. Information in French on some tenders can be found at www.apix.sn.
- Prospective bidders may learn of upcoming World Bank projects by subscribing to the World Bank's monthly operational summary. Descriptions of newly approved AfDB projects are also available on a subscription basis. For further information on AfDB projects, U.S. companies may consult the following website: <http://www.buyusa.gov/afdb>.
- The U.S. Commercial Service monitors requests for tenders and reports to the U.S. Department of Commerce those that may be of interest to U.S. suppliers. Bid specifications are usually in French, and bidders also are required to submit proposals in French.
- U.S. companies regularly face issues related to late payments, or non-payment for products and/or services provided to government entities. The U.S. Commercial Service offers assistance to U.S. companies and advocates with appropriate government officials on their behalf.

Distribution and Sales Channels

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- The capital city, Dakar, is the hub of economic activity and the largest consumer market in Senegal. The Dakar metropolitan area contains 90 percent of Senegal's manufacturing base and 22 percent of its population.
- Distribution occurs both by modern and by traditional systems. The modern sector is dominated by a few large French-owned import-export firms that cover all aspects of trade from importing to retailing, but their numbers are decreasing. Lebanese merchants play an important role in the import-export business. Existing alongside these companies are extremely competitive small-scale traders specializing in the wholesale and retail distribution of various consumer goods. Senegalese merchants selling popular consumer goods, such as textiles and electronics, are gradually replacing Lebanese traders. A growing Chinese immigrant community is making headway in Dakar's street markets. They have opened shops on Dakar's thoroughfares and sell cheap consumer goods.
- A very dynamic traditional or informal sector engages roughly 80 percent of the workforce. Informal traders in municipal and street markets carry out a sizable portion of domestic trade. Sandaga, a sprawling unregulated market in the heart of Dakar, is the capital's principal distribution center for manufactured goods ranging from textiles, footwear and cosmetics to high-tech stereo equipment. Street vendors make up a dynamic, if somewhat marginalized, sub-component of the informal sector. In recent years, there has been a substantial build-up of more formal merchandising space. The city's first large mall is operational since March 2007. Convenience stores are expanding rapidly in Dakar, Thies and St. Louis.

Selling Factors/Techniques

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- Most local distributors of imported merchandise expect their suppliers to provide advertising and promotional support, particularly when introducing a new product or brand name. Sales promotion material and technical documentation should be in French. There is no mail order marketing.

Electronic Commerce

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- The Senegalese government has made the development of information technology one of the pillars of the Accelerated Growth Strategy aimed at achieving at least 7.5% GDP growth from 2006-2015.
- Senegal intends to take advantage of opportunities offered in the IT sector. As such, Senegal recognizes the important role that e-commerce can play in trade development, but this area is still at a developmental stage.
- Senegal's first experience with e-Commerce was done through the Trade Point, an initiative of the United Nations Conference on Trade and Development

(UNCTAD) to facilitate international trade. On a very limited scale, Trade Point Senegal, a para-public institution, is using the Internet to promote matchmaking between Senegalese businesses and international partners.

- There have been some sporadic endeavors by private entrepreneurs who have been marketing Senegalese-made artisanal and folklore products via the Internet. The African Growth and Opportunity Act (AGOA) should benefit them. There also exist websites such as www.seneweb.com, which offer to the Senegalese Diaspora a means to buy certain items online. Some Senegalese have started using Amazon.com and E-Bay.fr to shop online.
- Senegal's good telecommunications infrastructure and growing Internet market are conducive to the development of e-Commerce. Senegal was the first sub-Saharan country to introduce ADSL in 2003.
- The use of e-Commerce is somewhat restrained by the limited use of formal banks. Only 2.6 percent of the population has a bank account, and the post office system has been unable to play a complementary role to banks by mobilizing postal savings.

Trade Promotion and Advertising

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- Although advertising has not yet achieved the sophistication typical of European and North American markets, Senegal offers extensive advertising outlets, including five television channels that carry local commercials, numerous private radio stations, and over 15 newspapers. The Internet, billboards and phone messaging services offer additional possibilities. Advertising is in either French or Wolof. There are no English-language media outlets in Senegal. When companies are unfamiliar with Senegalese culture and the local business environment, they can sometimes experience difficulty in targeting customers for direct marketing efforts.
- The reading public for Senegal's diverse press is largely limited to Dakar and Thies. The quasi-official "Le Soleil" is a daily newspaper. Other major popular independent newspapers include the dailies "Sud Quotidien," "Walfadjri," "Le Quotidien," "Le Matin," "Le Populaire," "Il Est Midi" and the economic weekly "Nouvel Horizon." National newspapers are in French. English language newspapers such as the "International Herald Tribune" are also available at many newsstands.
- Various trade organizations publish bulletins and newsletters such as those of the Dakar Chamber of Commerce and the periodical "Entreprendre" issued by the National Council of Business Leaders.
- Several Europe-based magazines enjoy a wide circulation, including "Jeune Afrique," "L'Autre Afrique," "Paris Match," "L'Express," "Le Point," as well as the European editions of "Time," "Newsweek" and "The Economist."

- Many leading international advertising agencies including McCann Erickson and Ocean Ogilvy, have local affiliates.
- The Dakar International Trade Fair ([FIDAK](#)) is organized every other year, and can be a venue for U.S. companies selling mass consumer products. There are also a [few specialized trade exhibitions](#) in Dakar in agriculture and food processing, housing and construction, IT and medical equipment.
- The U.S. Commercial Service assists U.S. companies or their local representatives in organizing product launches or technical seminars through the [Single Company Promotion](#).

Pricing

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- U.S. exporters should price their products on a CIF (cost, insurance and freight) basis. Liberal credit terms and a vast array of financing packages, e.g., supplier credit, made available by European competitors have disadvantaged U.S. firms. New-to-market U.S. exporters should request an irrevocable confirmed letter of credit. In some cases, large Senegalese importers have sources of foreign exchange outside Senegal and can offer credit documents issued by non-Senegalese banks.
- To help U.S. exporters formulate sound credit policies applicable to local markets, credit information on individual Senegalese firms can be obtained by requesting an International Company Profile (ICP) through the U.S. Embassy's U.S. Commercial Service, www.export.gov.

Sales Service/Customer Support

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- After-sales support and service are critical for sophisticated and heavy industrial equipment such as telecommunications products, industrial machinery, computer hardware and photocopiers. Product recalls are virtually unknown in Senegal.

Protecting Your Intellectual Property

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Introduction

Several general principles are important for effective management of intellectual property rights in Senegal. First, it is important to have an overall strategy to protect IPR. Second, IPR is protected differently in Senegal than in the U.S. Third, rights must be registered and enforced in Senegal under local laws. Companies may wish to seek advice from local attorneys or IP consultants. The U.S. Commercial Service can often provide a list of local lawyers upon request.

It is vital that companies understand that intellectual property is primarily a private right and that the US government generally cannot enforce rights for private individuals in Senegal. It is the responsibility of the rights' holders to register, protect, and enforce their rights where relevant, retaining their own counsel and advisors. While the U.S.

Government is willing to assist, there is little it can do if the rights holders have not taken these fundamental steps necessary to securing and enforcing their IPR in a timely fashion. Moreover, in many countries, rights holders who delay enforcing their rights on a mistaken belief that the USG can provide a political resolution to a legal problem may find that their rights have been eroded or abrogated due to doctrines such as statutes of limitations, laches, estoppels, or unreasonable delay in prosecuting a lawsuit. In no instance should USG advice be seen as a substitute for the obligation of a rights holder to promptly pursue its case.

It is always advisable to conduct due diligence on partners. Negotiate from the position of your partner and give your partner clear incentives to honor the contract. A good partner is an important ally in protecting IP rights. Keep an eye on your cost structure and reduce the margins (and the incentive) of would-be bad actors. Projects and sales in Senegal require constant attention. Work with legal counsel familiar with Senegalese laws to create a solid contract that includes non-compete clauses and confidentiality/non-disclosure provisions.

It is also recommended that small and medium-size companies understand the importance of working together with trade associations and organizations to support efforts to protect IPR and stop counterfeiting. There are a number of these organizations, both Senegalese **and** U.S.-based. These include:

- The U.S. Chamber and local American Chambers of Commerce
- National Association of Manufacturers (NAM)
- International Intellectual Property Alliance (IIPA)
- International Trademark Association (INTA)
- The Coalition Against Counterfeiting and Piracy
- International Anti-Counterfeiting Coalition (IACC)
- Pharmaceutical Research and Manufacturers of America (PhRMA)
- Biotechnology Industry Organization (BIO)
- The Senegalese Copyrights Office (BSDA)
- The Association of the Music Industry (AMS)

IPR Resources

A wealth of information on protecting IPR is freely available to U.S. rights holders. Some excellent resources for companies regarding intellectual property include the following:

- For information about patent, trademark, or copyright issues -- including enforcement issues in the US and other countries -- call the STOP! Hotline: **1-866-999-HALT** or register at **www.StopFakes.gov**.
- For more information about registering trademarks and patents (both in the U.S. as well as in foreign countries), contact the US Patent and Trademark Office (USPTO) at: **1-800-786-9199**.
- For more information about registering for copyright protection in the US, contact the US Copyright Office at: **1-202-707-5959**.
- For US small and medium-size companies, the Department of Commerce offers a "SME IPR Advisory Program" available through the American Bar Association that provides one hour of free IPR legal advice for companies with concerns in Brazil, China, Egypt, India, Russia, and Thailand. For details and to register, visit: **http://www.abanet.org/intlaw/intlproj/iprprogram_consultation.html**

- For information on obtaining and enforcing intellectual property rights and market-specific IP Toolkits visit: www.StopFakes.gov This site is linked to the USPTO website for registering trademarks and patents (both in the U.S. as well as in foreign countries), the U.S. Customs & Border Protection website to record registered trademarks and copyrighted works (to assist customs in blocking imports of IPR-infringing products) and allows you to register for Webinars on protecting IPR.

IPR Climate in Senegal

- As in most developing countries, IPR protection is inadequate. Piracy is not regarded as a crime, and it is widely accepted by consumers. Senegal's criminal law provisions do not provide for criminal procedures in case of trademark counterfeiting or copyright piracy on a commercial scale. In addition, because of budget constraints, Senegal's Copyright Office has had difficulty enforcing sanctions against individuals who infringe copyrights in the course of business, including hackers and distributors of infringed copies. Nonetheless, the Copyright Office has begun vigorous attempts against counterfeit media, seizing items as well as putting stickers on legal merchandise. It is currently continuing these enforcement efforts. Microsoft began an anti-piracy campaign in Senegal in early 2004 and reports some success in converting users of pirated Microsoft products through the sale of deeply discounted Microsoft licenses.
- Senegal is a signatory to the Bern Copyright Convention. It also is a member of the African Organization of Intellectual Property (OAPI), a grouping of 15 Francophone African countries, which has established among its member states a common system for obtaining and maintaining protection for patents, trademarks and industrial designs. Therefore, rights registered in one member country are valid in all. Patent validity is 20 years. Registered trademarks are protected for 20 years at each registration, renewable without limit.
- Senegal is a signatory to the World Trade Organization and its Trade Related Aspects of Intellectual Property Agreement (TRIPS). Since January 2000, Senegal theoretically has been in full compliance with the TRIPS accord, but has yet to deposit its instruments of ratification for WIPO Copyright Treaty and the WIPO Performances and Phonograms.

Local contacts

Industrial Property and Technology Service Office
Ministry of Industry
104, rue Carnot
tel: 221-33-822-04-43/33-821-15-44
Fa: 221-33-823-14-04

BSDA (Copyrights Office)
44, rue Jules Ferry
Dakar
Tel: 221-33-822-54-27
Fax: 221-33-823-14-04
Mme Siby, Director

Association of the Music Industry
758 Sicap Baobabs
Dakar
Tel: 221-33-824-47-02
Email: midimuse@orange.sn

Due Diligence

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- The U.S. Commercial Service can assist U.S. companies with researching the bona fides of companies based in Senegal. This service ranges from the [verification](#) of the existence and reputation of a local company to a more sophisticated search through the [International Company Profile \(ICP\)](#).

Local Professional Services

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- Once the decision to open a business in Senegal is made, the U.S. businessperson will require legal counsel and a notary for all the legal formalities associated with the incorporation of a company. The Embassy has available a list of lawyers and notaries. It is advisable that U.S. firms approach firms specializing in financial and tax advisory services. Well-qualified representatives of major U.S. and international auditing and business consulting firms are located in Senegal.
- A list of notaries and lawyers is available to U.S. companies upon request.

Web Resources

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CS Dakar: www.buyusa.gov/westafrika
Dakar International Trade Fair: www.cices.sn
Specialized Fairs: www.sencomane.sn
International Company Profile: www.buyusa.gov/westafrika/en/intlcomprofile.html
Senegal's Bar Association: <http://www.jurisint.org/en/asc/9.html>
List of Notaries and lawyers: <http://dakar.usembassy.gov/www/noten.html>
Trade Point Senegal: www.tpsnet.org

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Telecommunications Products and Services (TEL)

Overview

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- Sonatel, Senegal's telecommunications operator, continues to dominate the market. Sonatel was privatized in 1997 with France Telecom, as the strategic partner. Liberalization of some services accompanied privatization. Two companies now provide cellular telephone services, and there is a competitive Internet services market. As a result, there has been a boom of Internet-related activities and services and in cell phone usage. Cellular service has grown significantly since its introduction in the late 1990s. These last few years have witnessed the spectacular growth of mobile telephony with 3,434,000 subscribers in 2007 and 1,537,000 respectively in 2005.
- There are currently two cellular companies: the former "Alizé," now "Orange" owned by Sonatel, and "Tigo/Sentel," 75 percent owned by Millicom International Cellular. Orange has roughly two thirds of the cellular market, but Tigo is rapidly gaining market share. In November 2007 a third mobile license was awarded to Sudan's Sudatel for USD 200 million. The license also permits Sudatel to offer fixed line telephony and internet service (for which Sonatel currently has a monopoly).
- An independent regulatory agency for the telecommunications sector – the Agency for Telecommunications and Postal Regulation (ARTP) - was created in early 2002. Besides regulating providers of telecommunications services, the Agency assigns and controls spectrum. The long-awaited telecommunications sector deregulation became effective in July 2004, with the release of a sectoral letter that outlines the IT policy for the coming years. Telecommunications entrepreneurs who had hoped for a sweeping deregulation will be facing a regime of guided deregulation instead. Internet service is widely available in Dakar and other towns either for private subscription or through Senegal's extensive network of "telecentres" and Internet cafes. The ADSL broadband subscriber base is growing rapidly, though the penetration rate is less than 1 percent.

Best Products/Services

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- Best opportunities for U.S. companies remain in providing value-added services such as Voice over Internet Protocol (VOIP), WIFI technology and call termination for international calls. The regulatory framework governing VOIP remains unclear. ARTP recognizes that VOIP is used on an individual basis but does not permit commercial use of VOIP.
- The cellular market in Senegal is growing exponentially. In 2007, the cellular network accommodated 3,434,000 subscribers, doubling the number of

subscribers for 2005. Sales prospects remain in the supply of cellular handsets. Other best sales include switching equipment and routers.

Opportunities

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- The Government wants Senegal to be a haven for teleprocessing services, with its advantageous geographic position, relatively good telecommunications infrastructure and relatively low wages. A number of joint ventures call centers and the telemarketing businesses have sprung up, most of them servicing the French market.

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Regulations Agency: <http://www.artp-senegal.org/>

Electrical Power Systems

Overview

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- Following institutional reform in 1998, Senegal's electricity sector was split into three entities: Senelec, the national utility, the Agency for Rural Electrification (ASER) and the Electricity Regulatory Board.
- Senelec holds the monopoly for transmission and distribution of electricity. Electricity generation, mainly on a Build-Own-Operate (BOO) basis, is open to the private sector, and Senelec, the sole buyer, signs power purchase contracts with independent power producers (IPPs). The General Electric/GTI Dakar IPP, which supplies approximately 20 percent of Senelec's electrical needs, was commissioned in 1998. It has an installed capacity of 56 MW. On-line since January 2008, the second IPP Kounoune 1 – 67.5 MW - was partially funded by the International Finance Corporation., with Mitsubishi and Matelec S.A.L, a division of the Doumet group from Lebanon, as strategic partners. Senegal's major source of electricity is mostly diesel and gas, with an installed capacity of 633 MW. Some hydroelectricity generated from the Manantali Dam in Mali is split between Senegal, Mali and Mauritania. Manantali has an installed capacity of 200 MW dispatched as follows: 52 percent for Mali, 15 percent for Mauritania and 33 percent for Senegal (66MW).
- Senegal is committed to shifting from a diesel-based power generation to cheaper energy sources. Senegal has thus put an option on the coal technology. The recent bid to Build-Own and Operate a 125 MW coal-fired plant was awarded to a consortium of companies headed by the Swedish operator Nykomb Synergetics.

- Senelec is dealing with a chronic production gap, which has worsened due to an increased demand – the average demand increase during 2005-2009 is estimated at 7 percent, representing an electricity consumption of 1,933 Gigawatt hours in 2005 to an estimated 2,660 Gigawatt hours in 2009. Senelec is experiencing declining reliability of aging power plants. Senegal's GDP growth was hindered in 2007 by frequent electricity outages, which caused a slowdown of the economic and manufacturing activities. The GDP growth rate decreased to 2.1 percent in 2006 from 5.5 percent in 2005. According to local reports, the outages have contributed to the closure of many small and medium-sized enterprises (SMEs) in the food processing, textile and tourism sectors. Larger companies are reporting declines in output averaging 30 percent.
- Senegal has embarked on an aggressive effort to produce significant quantities of biofuels, initially to run electricity generation units, and has a pilot project using sugarcane-based ethanol.

Best Prospects/Services

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- The procurement of utility vehicles and generators are best prospects for U.S. companies.
- Refinery of biofuel products.

Opportunities

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- Senegal's long-term needs for more electricity, upgraded power plants and increased levels of rural electrification are still unmet. Opportunities exist in the replacement of Senelec's obsolete generating capacity through IPP, in the upgrading of the interconnected grid, as well as the construction of new transmission lines. The company recently announced investments of CFAF 520 billion (\$1.15 billion) for the period 2008-2015 to correct the perpetual power failures.
- The Senegalese Government wants to extend coverage of electricity to rural areas; in conjunction with the World Bank, the Agency for Rural Electrification (ASER), will tender 12 rural concessions for 2007-2010. Concessionaires will be responsible for providing power to rural communities as well as billing and revenue collection.
- Senegal is exploring ways of diversifying its electricity generation. The project of building a 250 MW coal-fired plant is under discussion with the Chinese. Time will tell if this is a white elephant as many experts have asserted. Senegal has recently signed a Power Purchase Agreement with the Swedish firm Nykomg Synergetics involved in the planned construction of a 125 MW coal-fired plant.
- OMVS, the Senegal River Development organization – a joint organization between Senegal, Guinea, Mali and Mauritania – has concrete plans to add some generation capacity of 840 GWh in the next few years. All the studies have been carried out.

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OMVS – www.omvs.org

Agence Senegalaise d'Electrification Rurale: <http://www.aser.sn/>

US Trade and Development Agency: www.ustda.gov

Electricity Regulatory Board: www.crse.sn

Senelec: www.senelec.sn

Heavy Equipment and Machinery (MHM)/Construction Equipment (CON)

Overview

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- The housing development and construction boom in Dakar combined with a massive program of infrastructure development initiated by the Wade administration have fueled imports of heavy construction equipment.
- Large-scale infrastructure projects include the current construction of a toll highway between Dakar and Diamniadio for \$40 million, the construction of a new international airport (\$428 million) in Diass, the extension and modernization of the Port of Dakar (\$58 million). Arcelor Mittal has offered USD 2.2 billion for the development of iron ore deposits near Faleme, in Southeast Senegal, the laying of 467 miles of railway to link the mine and the port, the construction of a mineral port and a steel plant in Bargny to facilitate the processing and export of the iron ore
- Senegal's high population growth and migration from the rural areas to Dakar has resulted in the mushrooming of squatter settlements on Dakar's periphery. Further, the high costs of construction materials – imported for the most part – combined with prohibitive interest rate – in the range of 8-10 percent according to BHS, the housing bank – have made housing too expensive for the average Senegalese and for low-income families. As a result, there is a critical shortage of affordable housing, and the Government has estimated at 120,000 the number of units to be built every year in order to meet a growing demand. Under President Wade's initiative "one family-one home", a battery of incentives has been presented to potential homebuilders, as long as the cost of the house does not exceed CFAF 7 million (\$15,500). They range from providing free land to homebuilders, a 3.3 percent subsidy to the target buyers of the houses, and tax holidays for imported construction equipment.

Best Prospects/Services

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- There is a strong demand for used heavy machinery and construction equipment, such as graders, excavators, loaders, earth-moving equipment, etc...
- Senegal is vying for low cost housing technologies.
- U.S. companies offering financing such as the Export-Import Bank credit guarantee programs will make the difference.

- Expertise in the mortgage market is much needed. There is a strong interest among Senegalese housing officials in the development of a secondary mortgage market, which will eventually revolutionize housing finance in Senegal and make interest rates for housing less prohibitive.
- Development of a mortgage market will be feasible only if the issues of land ownership and title registration are addressed. Technical assistance for expediting title registration is needed.
- Sales of related housing equipment such as security systems, automatic garage doors, and housing fixtures provide commercial opportunities to U.S. companies.

Opportunities

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- The demand for low cost housing will still increase.
- Investment opportunities exist in the construction of major road projects and in the construction of the Diass airport. Fraport, the German airport management company has been selected to manage the new airport. Fraport currently operates the Frankfurt airport.
- Investment opportunities exist in port development. Dubai Ports Worlds (DP World), which has taken over management of Dakar's container terminal in June 2007, will inject USD 709 million worth of port equipment, container handling equipment and construction works.

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- APIX – The National Promotion Investment Agency – www.apix.sn
- Minister of Housing - <http://www.primature.sn/ministeres/mhabitat/contacts.cfm>

Travel and Tourism/Aviation Services/Airport/Ground Support Equipment (TRA/AVS/APG)

Overview

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- Known for its mild climate, attractive beaches and great fishing, Senegal has long been highly regarded by European tourists. U.S. tourists - often African-Americans - are increasing in numbers, drawn in particular by the historic slave trading post of Goree Island.
- As U.S. interest in West Africa increases, so might the opportunities for U.S. companies catering to business travelers using Senegal as the hub for the region. Senegal's capital city of Dakar, on the westernmost point of the continent, is strategically located. Delta has selected Dakar as its first destination of choice on the African continent by opening in December 2006 the Atlanta/Dakar/Johannesburg/Dakar/Atlanta route. The Open Skies Agreement between the U.S. and Senegal signed in January 2001 laid the foundation for direct routes between the U.S. and Senegal by U.S. carriers.

Best Prospects/Services

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- Dakar is home for the Agency for Air Navigation Safety in Africa and Madagascar (ASECNA), which controls 25 international airports, 76 national and local airports, 19 regional centers and 57 control towers. The Agency has outlined a global investment plan of CFAF 173 billion for 2000-2006, unveiling the acquisition of navigation and surveillance equipment, and the upgrading of airports in some ASECNA countries. The plan is still underway.
- The construction of the new international airport in Diass (45 kms from Dakar) will require the procurement of ground support, handling and security equipment. The attribution of the construction contract for the new international airport has been granted to Bin Laden, a Saudi Group.
- Services for English training and translation for tourism and hospitality sectors.

Opportunities

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- The ratification of the Cape Town convention by Senegal will allow airline companies to procure aircraft at reduced exposure fee.
- Demand is expected for small aircraft for crop protection, locust invasion and cloud seeding programs.

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ASECNA – www.asecna.sn

APIX – www.apix.sn

Used Clothing (TXT)

Overview

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	2005	2006	2007 (estimated)
Total Market Size	6.8	7	8
Total Local Production	0	0	0
Total Exports	0	0	0
Total Imports	6.8	7	8
Imports from the U.S.	2.86	3	3.5

All figures in millions of \$

Exchange rate: 1 \$= CFAF 450

- Massive imports of used clothing and textiles in general have accelerated the demise of Senegal's local textile industry. Imports of cheap and low-quality clothes from China, Thailand and Turkey have made headway in the market, and

permit the middle-income Senegalese to buy affordable new clothes. Such imports have increased by 51 percent from 2004 to 2005. They represented \$17.6 million in 2004 and 26.8 million in 2005. Nonetheless, imports of used clothing continue to grow since the majority of Senegalese cannot afford new clothes.

Best Prospects/Services

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- The country's rapidly growing population (2.3 percent per year) and low per capita income have fuelled the demand for used clothing in Senegal. Senegalese particularly want low-cost active wear, such as sports clothing and shoes, as well as casual-wear jeans and related outerwear.
- Local importers recognize the high quality of U.S.-graded used clothing. U.S. exporters have established a long-standing presence in this market, holding 40 percent of the import market. Dakar's Colobane market is the hub for clothing distributed to other markets. The major players are the wholesalers who buy their clothing directly from abroad and sell to a myriad of local retailers.

Opportunities

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- Used clothing wholesalers in Senegal are looking for U.S. exporters who can deliver high quality and fashionable clothing with regular and timely shipments.

Resources

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Computers/Peripherals (CPT)

Overview

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	2005	2006	2007 (estimated)
Total Market Size	28.6	33	38
Total Local Production	1	1	3
Total Exports	0.95	1	1
Total Imports	28.55	33	36
Imports from the U.S.	2.9	4	4

All figures are in \$millions

1 \$= CFAF 500

Exports are mainly re-exports to neighboring countries (Mali, Guinea-Bissau and Mauritania)

- The Senegalese computer market is very competitive and growing. Total imports reached \$33 million in 2006. All major U.S. brand names - via their European branches - are well represented by local distributors and/or agents. Consequently, 2006 statistics indicate that France is the largest exporter of

computers, with 60 percent of the market, although a good portion of that consists of U.S. brands. Direct imports from the United States accounted for ten percent of the market in 2006.

- A Canadian/Senegalese joint venture is manufacturing computers locally. Some young Senegalese entrepreneurs are assembling computers locally.
- The market growth in this sector is estimated at 15 percent. It will increase the following years due to the government's decision to bridge the digital divide. Several initiatives have been launched such as the governmental intranet, E-government, and the use of information technology in government operations, though the projects are yet to be implemented.

Best Products/Services

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- Sales opportunities remain in the procurement of desktop computers, routers, PBX and switching equipment for networks.

Opportunities

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- The development of information and communication technology is the linchpin of the government's strategy for accelerated growth. The Government has embarked on an ambitious program to lure investors in this sector, offering incentives. A new investment code was implemented in 2004 granting special tax and fiscal treatment to the IT sector.
- The Senegalese government under the auspices of the Presidency has launched the E-government strategy, which places IT at the heart of the country's development strategy.

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Agence de l'Informatique de l'Etat: www.adie.sn

Cosmetic/Toiletries (COS)

Overview

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	2005	2006	2007 (estimated)
Total Market Size	17.2	19.6	20.2
Total Local Production	N/a	N/a	N/a
Total Exports	N/a	N/a	N/a
Total Imports	17.2	19.6	20.2
Imports from the U.S.	1.84	1.13	1.4

Source: Direction of Statistics

All figures are in \$millions

- The cosmetics industry in Senegal is one of the fastest growing sectors in Senegal. A dynamic import market goes in tandem with active local production well suited to low-income consumers. There is a high demand for cosmetics in Senegal supported by the mushrooming of beauty institutes, fitness centers and hair salons in Dakar specially. The spa concept is making headway in the market, and targets the expatriate community as well as upper income Senegalese.
- U.S. cosmetics are highly regarded and sought-after, especially hair and cosmetic products developed for the African-American market. France is the largest supplier with 42 percent of the market share. The U.S. supplies 5.3 percent of the import market.
- The import figures from the United States are misleadingly low because they do not account for imports from U.S.-affiliated companies that have established manufacturing plants in Africa. Nor are cosmetics sourced through Europe reflected in U.S. trade figures with Africa. U.S. import figures also do not take into account the large quantities of undeclared cosmetics products carried in suitcases by Senegalese traders. Large quantities of counterfeit products from the sub-region are available in the country. They are often marketed under well-known U.S. brand names.

Best Products/Services

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- High on the list of products sought by Senegalese consumers are hair, facial, skin-care and manicure products.

Opportunities

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- U.S. cosmetics companies are considering Senegal as a potential manufacturing base. They are looking at Senegal as an alternative to Ghana.
- Senegalese are looking at joining forces with U.S. beauty school franchises that can bring the American know-how and professionalism to the industry.

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Medical Equipment and Related Supplies (MED)

Overview

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	2005	2006	2007 (estimated)
Total Market Size	18	20	22
Total Local Production	0	0	0
Total Exports	0	0	0

Total Imports	18	18	20
Imports from the U.S.	0.4	1	1.3

Source: Direction of Statistics
All figures are in \$millions

- The projected \$20 million market for medical equipment is active due to the flurry of private clinics and private practices opening up in Dakar. It is estimated that 32 private clinics, 202 private general practitioners and 144 specialists currently practicing medicine in Dakar. Senegal has become a medical hub for the sub-region, mostly for the neighboring countries. Private citizens from Mauritania for instance come to Dakar to receive medical treatment. In the public sector, Senegal's poverty reduction strategy, which calls for an increase in national health spending has stimulated the construction of public hospitals and health centers, hence an increase in the purchase of medical equipment. The public sector is the biggest purchaser and user of medical equipment, which is heavily financed by multilateral donors.

Best Products/Services

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- The demand ranges from light medical supplies to big-ticket items, such as imaging equipment, X-ray machines and scanners. The Senegalese market is based on European standards: 50 cycles, 220 volts.
- The market for used medical equipment is important, specifically for imaging equipment

Opportunities

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- Senegal has embarked on an ambitious program of building hospitals. Opportunities exist in the delivery of turnkey solutions.

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Waste Water Equipment

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- Senegal's water and wastewater sector underwent major institutional and regulatory reforms in 1996 when the state-run water company SONEES was dissolved and divided into three entities. SONES, a state asset holding company, was created and had the responsibility for the upkeep and overhaul of the national grid. SDE, the private operator, was in charge of the day-to-day operation of the urban water facilities. Through a 10-year operating contract, SDE, a concession of French company Bouygues has a mandate to reduce leakage and improve billing and collection efficiency. ONAS, the National Office of Urban Sanitation, was created to ensure the operation, upkeep and development of the sewerage networks previously managed by SONEES. Senegal's water reform's model is regarded as a sound example of public-private

partnership in sub-Saharan Africa. The model has been so successful that the operating contract has been extended and renewed in 2006.

- The Senegalese Government essentially relies on multilateral agencies, as well as bilateral donors to fund the water and wastewater sectors in Senegal. The World Bank, thanks to its concessional lending window, is the leading multilateral lender in this sector through the \$490 million Long Term Water Sector Project (LTWSP), which ends in December 2007. The LTWSP's focus is on urban water and sanitation, and its objective is to achieve sustainable improvement in the delivery of urban water and sanitation services in unserved and low-income areas of Dakar, and secondary cities. Under the LTWSP, water production increased by 18 percent from 264,000 m³/day to 312,000 m³/day through water network extensions and the construction of 81,000 new connections to the drinking water and sewerage system. The LTWSP continues to address the challenging issue of increasing the production of urban water and financing much-needed investments in sanitation.
- Multilateral donors including the World Bank and the African Development Bank have pledged \$1 billion for the National Program of Drinking Water and Sanitation (PEPAM), a strategic tool aimed at reaching the objectives of the Millennium Development Goals. The PEPAM focuses more on rural water and sanitation than on urban systems.

Best Products/Services

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- Senegal's water and wastewater sector offers interesting commercial and investment opportunities for U.S. companies, which are essentially non-present in this sub-sector dominated by European companies, mainly French, German and British. The sector is mainly financed by multilateral donors (World Bank, African Development Bank (ADB) and bilateral ones (KfW, the German development agency and the French development agency).
- Commercial opportunities exist in the procurement of treatment products aimed at improving the water quality originating from the Guiers Lake. The Lake is the natural reservoir supplied by the Senegal River. The Government of Senegal has also in its pipeline a project to eliminate fluoride in the water. A high content of fluoride in the water in some areas in Senegal is a public health issue.
- Management consulting firms with a specialization in the water sector are welcome to introduce their expertise into this sector.

Opportunities

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- ONAS has plans to improve and rehabilitate Dakar's sewerage network. It is estimated that 45 percent of Dakar's sewers need to be rehabilitated. In addition, some expansion works will need to be carried out especially since the growth of the network has not kept pace with the sprawling urban development.

- ONAS has plans to build additional pumping stations and wastewater treatment facilities. Currently, the Camberene wastewater treatment plant is the largest facility in operation and treats less than 10 percent of the wastewater generated in Dakar. U.S. companies should be on the look out for those projects of building pumping stations and wastewater treatment plants. ONAS will issue international tenders, and the World Bank will have them listed in its procurement opportunities. The U.S. Trade and Development Agency has signed a \$400,000 grant to evaluate the technical, operational and financial alternatives available for the rehabilitation and expansion of the wastewater collection that serves the Corniche West region of Dakar. The study will also propose the most economical solution for the construction of a new wastewater treatment facility in the Corniche West area to assure the protection of the coastline and in a general manner, the natural environment and groundwater.
- U.S. Companies interested in bidding in this TDA study should consult with TDA. The U.S. Commercial Service will inform the U.S. business community about upcoming tenders.
- Other investment opportunities remain in the construction of a desalinization plant, which will be a public private partnership.

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www.ustda.gov

ONAS: www.onas.sn

Agricultural Sector

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Senegal remains a food deficit country and major importer of cereal staples such as wheat and rice, and intermediate products such as crude vegetable oil and milk powder. Meanwhile, higher-income consumers have created a significant market for high value consumer-ready products. The relatively high population growth (2.7 percent) and urbanization indicate that this trend will continue. Unemployment and inflation (especially in the energy and food sectors) present challenges to the country's long-term development goals. Record increases in prices of major consumer products such as rice, wheat, milk, sugar, and fuel, the drastic decline of peanut production (principle cash crop), the hesitant privatization process and shortcomings in public services further exacerbate social difficulties. While opportunities exist for investment in the food processing sector, a poor investment climate and industrial concentration in several sectors remain key obstacles.

Peanuts remain the primary cash crop and account for nearly 40 percent of cultivated land. However, production has dropped nearly fifty percent (828,000) over the last two years. Exports of peanuts totaled 114,000 tons in 2006 and were valued at about \$80

million. Fish and seafood products are the leading export and account for 21.3% of total exports, and were valued \$350 millions in 2006. Cotton accounts for about 2% of total exports in 2006 up 1.7% from 2005, at a value of about \$30 million. Exports of fruits and vegetables are growing steady although they remain low, and it is estimated that they will reach approximately 50,000 tons in 2007. Europe is still the main export market for Senegal's fresh fruits and vegetables. About 70% of the European market is dominated by four products including green beans, cherry tomatoes, mangos and melon.

The production of staple grains covers barely 30% of consumption needs in a normal year, and may decline to reach a deficit of 900,000 tons in years of poor rainfall such as was experienced in 2007. Imports of grains totaled nearly \$390 million in 2006 and account for 9.6% of total imports. The dairy industry is primarily based on the use of imported milk powder (primarily full-fat) as Senegal's milk production is far below the domestic needs. Despite relatively high tariffs on milk powder (26.78%), about 20,000 tons of milk powder is imported each year, primarily from Europe. In fluid milk equivalent, imports represent twice the level of local milk production. Imports of dairy products were valued at \$120 million in 2006, up by 15% from previous year. Senegal also imports non-refined soybean oil for the local market, mainly from Brazil, Argentina and France. Imports of soybean oil were estimated at \$10 million in 2006 down from \$21 million in 2005. This decrease resulted from the increasing liberalization of the imports of refined oils. U.S. exports of vegetable oils (ex soy) totaled \$391,000 in FY 2007 and exports of soybean oil are already over \$1 million in the current fiscal year. Domestic poultry production has increased significantly over the last two years despite the shock created by isolated cases of avian influenza outbreaks in West Africa. The increase in broiler production is driven by increasing domestic demand supported by a ban on imports of poultry meats and edible eggs effective since early 2006. In previous years Senegal imported nearly 15,000 tons of poultry meat per year, mainly from Brazil and the United States. Consumption needs of sugar are estimated at 150,000 tons of granular sugar, which the only national sugar plant (CSS) cannot supply. Currently CSS imports 33,000 tons of sugar to compensate for the deficit. In 2006, these imports cost about \$875,000.

The import market for food and agricultural products remains dominated by European, Asian and African suppliers. France dominates the market for wheat and high value processed products. Market potential exists, however, for new entrants in the market for bulk, intermediate and consumer products.

Advantages	Challenges
In an era of rising food and commodity costs – and shortages from some suppliers, the devaluation of the dollar has increased importer interest in U.S. supplies.	Commercial ties between the U.S. and West Africa remain somewhat limited. Culture and language ties remain strongest with France and Europe.
Senegal's status as a major commercial hub in sub-Sahara Africa; sophistication of higher-income consumers; population is generally favorably inclined to U.S. goods.	Lack of U.S. interest due to the relatively small market size; and French and Middle Eastern domination of the market. Relatively weak governance has caused economic malaise and reduced foreign and domestic investment in the economy.
Unexplored shipping options from U.S. Gulf and East coast ports. Regular daily	Higher freight rates and longer transit times from the U.S. than from Europe or

commercial flights from Atlanta, New York and Washington	the Middle East.
Senegal's Population of 12 million is growing at an annual rate of 2.7 percent per annum.	The average per capita income is estimated at \$700.
Common external tariffs for imports and elimination of tariffs among the 7 countries of the WAEMU (the West African Economic and Monetary Union).	High business costs relative to neighboring African countries such as port processing and Customs duties. WAEMU also assesses value added tax (VAT) of 18%, which is applied on imports at the port of entry as a duty.
The Senegalese consumer perceives U.S. products as being of high quality standards and thus accepts U.S. food products.	The freight costs for products shipped from the U.S. are higher (or perceived to be higher than those from the EU, Asia or South Africa



Best Agricultural Product Prospects:

1. Rice
2. Wheat
3. Corn
4. Vegetable oil
5. Soybeans/soybean meal
6. Sorghum

Best High Value Product Prospects:

1. Milk (Liquid milk, skimmed and whole powdered milk)
2. Non alcoholic beverages (Tea, coffee, fruit drinks)
3. Bottled vegetable cooking oil
4. Margarine/butter
5. Pasta products
6. Canned fruits and vegetables
7. Beer and Wines
8. Spirits, liqueurs
9. Tomato puree/ketchup
10. Fruit preparations and juices
11. Bakery and other food Ingredients (Yeast & baking powder)
12. Confectionery products (candies, gums etc)
13. Snack foods (biscuits, cakes etc)
14. Mayonnaise and salad dressing
15. Spices and sauces including soy sauce
16. Condiments
17. Breakfast cereals

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Senegal Agricultural Situation Report

<http://www.fas.us.gov/gainfiles/200701/146279961.pdf>

Foreign Agricultural Service –Attaché Reports

<http://www.fas.us.gov/scriptsw/attacherep/default.asp>

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Import Tariffs

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In January 2000, Senegal put in place a new import tariff structure to conform with the common external tariff (CET) scheme agreed upon by the member states of the West African Economic and Monetary Union (WAEMU or UEMOA). Under the new structure, Senegal lowered its highest tariff rate and established four product categories with tariff rates of 0, 5, 10 and 20 percent. It also eliminated a separate customs stamp tax of five percent, replacing it with a one percent “statistical fee.” The new tariff regime covers the following product categories for the four tariff rates:

-- Category 1 (zero rate): social, cultural and scientific goods, agriculture inputs, capital goods and computer and data processing equipment not available through local production.

--Category 2 (five percent): raw materials, crude oil, and cereals for industries.

--Category 3 (ten percent): semi-finished products, intermediate goods, other cereals, diesel and fuel oil.

--Category 4 (twenty percent) goods for final consumption, capital goods and computer and data-processing equipment already available through local production, new and used vehicles.

Despite its simplified tariff structure, Senegal continues to maintain an array of other import taxes, some of which were also changed in January 2000 to conform to the CET. In addition to the one percent “statistical fee”, the CET calls for a one percent “community solidarity tax” (CST) to assist WAEMU member states, such as landlocked Niger, Mali and Burkina Faso, which suffered revenue losses due to the CET.

On top of these duties, importers are also obliged to pay a unified 18 percent value-added tax (VAT) at the port of entry.

Trade Barriers

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Special tariffs are also applied under the CET regime to protect selected industries, although rates have been lowered in some cases and a five-year phase out period is scheduled. These special tariffs include the “taxe dégressive de protection” and the “taxe conjoncturelle à l’importation.” The taxe dégressive de protection is applied to imports of finished products, such as tobacco, matches, tomato paste, candies, batteries, powdered milk, candles, etc., that compete with local production. With the exception of tobacco, the rate under the new regime dropped from 20 to 15 percent. The cyclical or seasonal tax, called the “taxe conjoncturelle à l’importation,” protects local production of vegetables, rice, onions, potatoes, etc., with a 10 percent levy applied when world prices drop and threaten local producers.

Import Requirements and Documentation

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Documents required when exporting to Senegal include the following:

1. Two copies of the commercial invoice, which should identify the exporter and importer, as well as their addresses; the goods being imported; the weight, CIF value and quantity of goods imported; and a complete description of the merchandise. This should be in French or accompanied by a French translation, to avoid misinterpretation at the customs entry point. (In the past, for example, Senegalese customs officials mistook a date of manufacture for an expiration date, which considerably delayed a shipment.)
2. A Pro Forma Invoice. This should contain the same information as the commercial invoice.
3. A Certificate of Origin is necessary for all imported goods. Before shipping, importers must provide customs officials with documentation listing the quantity, quality and prices of the products subject to customs duties.

Import procedures include the following:

1. Importers must deposit a Preliminary Import Declaration seven days before shipping imported goods having a value equal to or greater than CFAF one million (\$2,000).
2. Automatic approval of the Preliminary Import Declaration is obtained by submitting three copies of the Pro Forma Bills of Lading with the declaration.

3. A Preliminary Import Declaration is valid for six months and can be extended for three months. Preliminary Import Declarations must be canceled and reissued if there is a change in supplier, an increase in the value of the order of more than ten percent, or a modification in the quantity of the order.
4. Any payment for imported goods greater in value than CFAF one million (\$2,222) must be made through an approved Senegalese bank or financial institution.
5. Any FOB import value equal to or greater in value than CFAF three million (\$6,666) must be inspected by the PSI company in the supplier's country before shipping.
6. Presentation of a clean report of findings issued by the PSI firm is obligatory.
7. The Pre-Shipment Inspection Certificate.

The following goods are exempted from PSI:

- Imports with a total order FOB value equal to or below CFAF 3 million
- Objects of art, precious stones, and gold
- Used personal and household effects, including one used vehicle
- Arms and ammunition other than those for hunting and/or sport
- Explosives and pyrotechnic products
- Live animals
- Perishable goods for human consumption neither frozen nor deep frozen (meat, fish, vegetables and fruit)
- Parcel post and samples
- Scrap metals
- Plants and flowers
- Cinematographic films, exposed and developed
- Current newspapers and periodicals, postal and fiscal stamps, stamped papers, bank notes and check books
- Personal gifts
- Crude oil
- Donations offered by foreign governments to international organizations, charities or philanthropic organizations recognized as being helpful to the public
- Bona fide gifts, imports for diplomatic entities and for United Nations organizations for their own use in Senegal
- Vehicles, other than railway, and parts thereof (HS chapter 87 in the Senegal Tariff Book)
- Cereals (HS chapter 10) imported by the public sector or approved by the public sector
- Printed books, newspapers, pictures and all other items of HS Chapter 49
- Imported goods after having been fixed/repared in a foreign country
- Parts and spare parts imported by airline companies
- Counterfeit goods
- Goods imported by certain importers which have a special exemption authorization from the Government

U.S. companies exporting to Senegal must adhere to the requirements of the [Bureau of Industry and Security \(BIS\)](#), which regulates the export and re-export of sensitive goods and technologies.

Temporary Entry

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- Goods imported for re-export are subject to a temporary admission system and are not assessed customs duties. This system has been abused in the past, and customs officials may be particularly demanding in enforcing regulations.

Labeling and Marking Requirements

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Senegal's labeling requirements are applicable to canned and preserved food intended for human consumption. Such products must be marked in French with the following information:

1. Country of origin;
2. Product manufacture date, specified by the day, the month and the year;
3. The expiration date, marked in the same manner as the date of manufacture, preceded by the comment: "A Consumer de Preference Avant le DD/MM/YY."
4. Ingredients.

For other non-food consumer products, it is critical that the label be written in French with the expiration date added.

Prohibited and Restricted Imports

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Prohibited imports include narcotics, munitions and war ammunition (except collector's items), pornographic publications and hallucinogenic drugs, except those authorized by the Ministry of Health.

Customs Contact Information

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Senegal implemented the WTO Agreement on Customs Valuation in July 2001, which provides for a neutral and uniform system for the valuation of goods for customs purposes. However, Senegal's 2001 designation as an LDC (Less Developed Country) by the United Nations has incited officials to continue to apply minimum reference prices for some imported products that may hurt local industry.

In July 2001, the Government awarded Senegal's pre-shipment inspection (PSI) program to a newcomer in the market, the Swiss-based Cotecna. The PSI applies to all imported goods valued at CFAF 3 million (\$6,666) and higher. The Cotecna-approved value of such goods constitutes the basis for customs valuation. U.S. exporters are

urged to contact Cotecna's U.S. office at www.cotecna.com to obtain the list of goods exempted from PSI.

Standards

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Overview

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- Senegal's standards are derived from France's. Electricity used in the country is 220 volts 50 cycles, and the system of measurement is metric.

Standards Organizations

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- The Senegalese Association of Normalization (Association Sénégalaise de Normalisation - ASN) is a public (40 percent)-private (60 percent) regulatory body under the Minister of Industry mandated to develop national standards and ensure quality standards. The standards are developed within technical committees whose members include representatives of technical ministries (Health, Environment and Industry), consumer associations, industrialists, technical and scientific institutions. The secretariat of these technical committees is held by the ASN. ASN establishes each year a standards' development plan based on the needs from its technical and social partners. The standards are the results of a consensus between ASN and its partners.

Conformity Assessment

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- Conformity assessment infrastructure include a number of national laboratories and private bodies carry out conformity assessments:

The National Laboratory under the Minister of Trade
CEREQ, which does soil and construction-related testing
The Pasteur Institute
Bureau Veritas
The laboratory of the Senegalese Institute of Food Technology
CERES-LOCUSTOX, which tests pesticide residuals.
Bureau Veritas
Cotecna Pre-Shipment Inspection Services company
The Laboratory of Metrology

- Senegal is as a correspondent member of the International Organization for Standardization (ISO), and an affiliated member of the International Electro-technic Commission (CEI).
- On a regional level, Senegal has developed a quality program with the West African Economic and Monetary Union.

Product Certification

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Senegal is on the verge of having a “quality” “Senegal Label” for product certification on items made in Senegal. This initiative is in addition to the “Made in Senegal” label that already exists.

Accreditation

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Accreditation bodies include ASN and Bureau Veritas.

Publication of Technical Regulations

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- ASN has published a catalog listing 246 Senegalese standards in the following areas: electronics (2), construction and civil engineering (57), food processing (53), environment (76), administration and trade (2) and solar energy (7).

Labeling and Marking

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- Senegal’s labeling requirements are applicable to canned and preserved food intended for human consumption. Such products must be marked in French with the following information:
 1. Country of origin;
 2. Product manufacture date, specified by the day, the month and the year—DD/MM/YY;
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 4. Ingredients.
- For other non-food consumer products, it is critical that the label be written in French with the expiration date added.

Trade Agreements

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- Senegal is a member of the Economic Community of West African States (ECOWAS), the WAEMU or UEMOA, the Cotonou Convention and the

World Trade Organization. Senegal is also currently eligible for benefits under the African Growth and Opportunity Act (AGOA).

Web Resources

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Association Sénégalaise de Normalisation: www.asn.sn

Wto.org

ECOWAS

WAEMU

Telecommunications

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- In 2007, sales generated by the telecommunications sector accounted for more than 7 percent of the GDP. Senegal has an excellent telecommunications infrastructure, which is digitized. The country has around 278,000 landlines for 11.9 million inhabitants. These last few years have witnessed the spectacular growth of mobile telephony with 3,434,000 subscribers in 2007 compared to 700,000 in 2001.
- International calls to most countries can be dialed directly. The country code for Senegal is 221. Since October 2007, Senegal has changed its numbering system. The numbers 33, 76 and 77 have to be added when dialing a fixed line (33) or a cellular line - 76 for Orange and 77 for Tigo. Cable, telex, fax, Internet services are available. The Internet penetration rate is low (0.19 percent). A number of cyber cafés are located in Dakar and other cities.

Transportation

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- **Air Transportation:** The Léopold Sédar Senghor International Airport is the hub of the sub-region. Dakar is linked to numerous African cities by air, and daily flights go to Europe. Delta flies daily to/from Atlanta/Dakar/Johannesburg. SAA flies daily to New York and Washington, D.C. from Johannesburg via Dakar.
- **Port:** Dakar has one of the largest deep-water seaports along the West African coast. Its deep-draft structure and 640 foot-wide access channel allows round-the-clock access to the port. Its current infrastructure includes tanker vessel loading and unloading terminals, a container terminal with a storage capacity of 3000 20-foot-equivalent units, a cereals and fishing port, a dedicated phosphate terminal and a privately run ship repair facility. The port's location at the extreme western point of Africa, at the crossroad of the major sea-lanes linking Europe to South America, makes it a natural port of call for shipping companies. A number of shipping companies sail to Dakar from U.S. ports, usually by transshipment from Europe. The main direct-call U.S./West Africa carriers are Wilhemsen Lines, Torm Line, America Africa Delmas Line, and Atlantic Container Lines. In addition, Maersk Line offers weekly sailings from the U.S. to Dakar with transshipment in Algeciras in southern Spain. Transit time from Houston, New Orleans and Miami is 34, 36 and 40 days, respectively. Total freight traffic averages 10 million metric tons.

- **Ground Transportation:** Taxis (black-yellow in color) are cheap, numerous and available everywhere in Dakar. It is customary to negotiate the fare since most meters installed in the taxis are broken or missing. For travel outside Dakar, public transportation is available but often unreliable and uncomfortable.
- U.S. visitors who plan to stay in Dakar a few days may want to rent a car and driver. Numerous car rental agencies offer first-class service and have a desk at the airport and in hotels. Credit cards are accepted for payment.

Language

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- The principal language of international business in Senegal is French. Many Senegalese businessmen can conduct basic business in English but are not comfortable with extended or technical conversations, although this is changing as more and more Senegalese choose to study in the U.S. High-level professional interpretation is available at \$640-700 per day for business meetings, but less expensive (\$200-300) competent interpreters are also available.

Health

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Medical Facilities: Several hospitals and clinics in the capital, Dakar, can treat major and minor injuries and illnesses. There is inadequate inpatient psychiatric care, though there is very good office-based psychiatry. There are no facilities in Senegal that are at the level of Western European hospitals or U.S. community hospitals, but there are some that are good and can be used in case of an emergency. The Embassy maintains a list of physicians and other health care professionals, though the Embassy does not guarantee their services or recommend any of the physicians. Medical facilities outside Dakar are limited.

French medications are far more readily available than American drugs, and the limited selection of American drugs in stock are often listed under the French trade names. Medications may be obtained at pharmacies throughout Dakar and in other areas frequented by tourists, and are usually less expensive than those in the U.S. Travelers should carry a supply of any needed prescription medicines, along with copies of the prescriptions, including the generic name for the drugs, and a supply of preferred over-the-counter medications.

Medical Insurance: Travelers should be strongly urged to purchase evacuation insurance prior to traveling abroad. In addition travelers should expect to pay cash for medical services obtained in Senegal. Medical facilities in Senegal will only accept cash and will not accept medical insurance or even credit cards. U.S. medical insurance may cover overseas medical expenses on a pay and claim basis but this is not guaranteed.

Useful information on medical emergencies abroad, including overseas insurance programs, is provided in the Department of State's Bureau of Consular Affairs brochure,

[Medical Information for Americans Traveling Abroad](#), available via the Bureau of Consular Affairs home page.

Other Health Information: Information on vaccinations and other health precautions, such as safe food and [Information on vaccinations and other health precautions, such as safe food and water precautions and insect bite protection](#), may be obtained from the Centers for Disease Control and Prevention's (CDC's) hotline for international travelers at 1-877-FYI-TRIP (1-877-394-8747), fax 1-888-CDC-FAXX (1-888-232-3299), or via the Cdc's Internet site at <http://www.cdc.gov/travel>. For [information about outbreaks of infectious diseases abroad](#) consult the World Health Organization's website at <http://www.who.int/en>. [Further health information for travelers](#) is available at <http://www.who.int/ith>.

Malaria is a serious risk to travelers in Senegal. Chloroquine resistant *P. falciparum* malaria is a severe form of the disease that is found in many parts of West Africa, including Senegal. Because travelers to Senegal are at high risk for contracting malaria they should take one of the following anti-malarial drugs: mefloquine (Lariam - tm), doxycycline, or atovaquone/proguanil (Malarone – tm). The Centers for Disease Control and Prevention have determined that a traveler who is on an appropriate anti-malarial drug has a greatly reduced chance of contracting the disease. In addition, other personal protective measures, such as the use of insect repellents, help to reduce malaria risk. Travelers who become ill with a fever or flu-like illness while traveling in a malaria-risk area and up to one year after returning home should seek prompt medical attention and tell the physician their travel history and what anti-malarials they have been taking. For additional information on malaria, protection from insect bites and antimalarials, visit the CDC Travelers' Health website at <http://www.cdc.gov/travel/malinfo.htm>.

Other vaccines may be recommended for travel to Senegal. Please visit the CDC's website for more information.

Local Time, Business Hours, and Holidays

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Local Time

Dakar is on Greenwich Mean Time, four time zones ahead of Eastern Standard Time (EST). Daylight Savings Time (DST) is not observed in Senegal, thus there is a five-hour time difference during DST in the U.S.

Business Hours:

Business hours are typically from 0800 to 1800, with a long lunch break (2 hours).

Holidays

January 1 (New Year's)
April 4 (Independence Day)
May 1 (International Labor Day)
August 15 (Assumption Day)
November 1 (All Saints Day)

December 25 (Christmas Day)

In addition, the following holidays are observed according to the religious calendars: Korite, Tabaski, Mawlud, Easter Monday, Ascension and Pentecost.

Temporary Entry of Materials and Personal Belongings

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- Several types of items -- including computers and computer parts, video cameras and players, stereo equipment, tape players, auto parts, and various tools and spare parts -- cannot be brought into Senegal without clearance by Senegalese customs officials. Airport customs officials may hold such items if brought in as baggage or carry-on luggage. Travelers should check with the Embassy of Senegal in Washington, DC, regarding these restrictions.
- Senegalese customs authorities encourage the use of an ATA (Admission Temporaire/Temporary Admission) Carnet for the temporary admission of professional equipment, commercial samples and/or goods for exhibitions and fair purposes. ATA Carnet Headquarters, located at the U.S. Council for International Business issues and guarantees the ATA Carnet in the United States.

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The U.S. Council for International Business: www.uscib.org

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Chapter 6: Investment Climate

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Openness to Foreign Investment

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- The Government of Senegal officially welcomes foreign investment, but potential investors, and all businesses, face obstacles, including non-transparent regulation and high factor costs. There is no legal discrimination against businesses conducted or owned by foreign investors. There are no barriers regarding 100 percent ownership of businesses by foreign investors in most sectors. In some key sectors such as electricity, telecommunications, water and mining, foreign investors may have majority control, but may not acquire 100 percent ownership.
- In recent years, Senegal has pursued major investment deals with foreign partners, generally through private negotiations and not a public tender. Foreign investors have recently secured contracts to exploit mineral resources, provide garbage services, and for management of Dakar's maritime port and a proposed new international airport. Sudan's telecommunications company Sudatel recently won an international tender for a new license to provide fixed and mobile telephone and Internet services. The government of Senegal is conducting on-going negotiations with potential partners for new financing for some of the country's largest industrial operations, including the phosphates producer, ICS, the petroleum refinery, SAR, and the electricity producer, SENELEC. A new law to enhance transparency in public procurement and public tenders is to enter into force in 2008. At the same time, the government has taken a more active public stance on promoting Public-Private Partnerships, although major new investments of this kind have not been realized.

- The Government does some screening of proposed investments, mostly to verify compatibility with the country's overall development goals. Foreign investors are encouraged to utilize the "one stop" service of Senegal's Investment Promotion Agency (APIX) for registration and obtaining approvals needed to operate a business in Senegal, which can now be completed in approximately two days. There is no provision in Senegalese law permitting domestic businesses to adopt articles of incorporation or association that limit or control foreign investment. There is no pattern of discrimination against foreign firms making investments in Senegal.
- Senegal's 2004 Investment Code remains the main body of law regulating foreign investments. The Code provides basic guarantees for the repatriation of profit and capital and equality of treatment. It also specifies tax and customs exemptions according to the size of the investment, classification of the investor (such as small or medium-sized enterprise versus a larger corporation), and location (investments outside of Dakar receive longer periods of exoneration from taxes). Following recommendations by major donors, Senegal established a Presidential Investors Council (PIC) designed to improve the business climate and reduce obstacles to domestic and foreign private investment. The PIC has had some success in lobbying for certain "pro-business" changes in Senegal's tax code, such as lowering the corporate tax rate from 33 to 25 percent, eliminated the equalization tax on the informal sector, and lowering the VAT on tourist industries from 18 percent to 15 percent.
- Both foreign and domestic firms tend to cite the same problems in doing business in Senegal — inefficient regulation and bureaucracy, ineffective commercial courts, labor laws that makes it difficult to fire for cause, and occasional disputes over customs valuations and taxation. The country's private sector, as well as donors who are focusing on enhancing Senegal's potential for rapid economic growth, are specifically encouraging the full implementation of a 1997 revision of Senegal's Labor Code. Out of 88 decrees, only 25 are "on the books," but in 2008, both USAID and the World Bank are assisting the Government to implement an additional 22 decrees.

Conversion and Transfer Policies

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- Commercial transfers are normally carried out rapidly and in full by local banking institutions. Companies find that the import and export of funds can be accomplished quickly and easily as commercial bank transactions. The African Financial Community franc (CFA), used by Senegal and 13 other African countries, is pegged to the Euro at the rate of 100 CFA to 0.152 euros. There are no restrictions on the transfer or repatriation of capital and income earned or on investments financed with convertible foreign currency. However, the Government does limit the amount of foreign exchange individuals may obtain for trips outside Senegal. Outgoing travelers may obtain a maximum of 6 million CFA in Euros or other foreign currency/travelers checks (approximately USD 13,000) upon presentation of a valid airline ticket at banks. The black market for currency exchange is limited in Senegal. Remittances to Senegal from its

citizens living overseas are routine and a significant source of foreign currency for the country. In 2007, the estimated value of remittances, formal and informal, was estimated by Senegalese authorities at USD 1.8 billion, which is equal to 17 percent of GDP.

Expropriation and Compensation

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- In recent history, there have been no major expropriations in Senegal. There have been some instances recently in which the Government has revoked minerals concessions or contracts to develop housing projects, alleging failure to pay taxes or meet contractual obligations. Foreign investors have generally failed to obtain compensation or damages through the courts. In other cases, the Government has failed to intervene to resolve disputes between foreign investors and firms with local ownership or substantial local participation. This failure to provide mediation, or any decision in some cases, has been noted as less-than-equitable treatment for foreign investors. However, there is no indication of discriminatory treatment against U.S. investors.

Dispute Settlement

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- Senegal is a signatory to the New York Convention of 1958 on the Recognition and Enforcement of Foreign Arbitral Awards, however, dispute actions are more likely to be taken through the International Center for the Settlement of Investment Disputes (Washington Convention), of which Senegal is a member, or through the Dakar Arbitration Center, which is administered by the Dakar Chamber of Commerce. To date, the arbitration process is practically untested. In late 2007, Kumba Ore, Ltd. (a subsidiary of the Anglo-American Group) requested binding international arbitration with Senegal over the company's claim that Senegalese authorities undermined Kumba's exploration rights by signing a new contract for the same parcels to India's Arcelor Mittal .
- Foreign creditors receive equal treatment under Senegalese bankruptcy law in making claims against liquidated assets. Monetary judgments are normally in local currency.
- While Senegal has well-developed commercial and investment laws, and a legal framework for regulating business disputes, settlement of disputes within the existing framework is cumbersome and slow. Few judges or lawyers are conversant in commercial laws. Court cases are expensive and rarely resolved expeditiously. Decisions can be inconsistent, arbitrary and non-transparent. Foreign investors have found it difficult to fire employees for cause or malfeasance. Foreign firms are often sued in the Senegalese courts by terminated employees who are frequently awarded damages and placement in their former positions. Although these decisions are sometimes overturned on appeal, the appeals process is costly and time consuming. Foreign firms in

Senegal often cite burdensome labor law and arbitrary rulings by courts on labor cases as their number one frustration in doing business in Senegal.

Performance Requirements and Incentives

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- Senegal's Investment Code defines eligibility for investment incentives according to a firm's size and type of activity, the amount of the potential investment, and the location of the project (with higher incentive benefits for investments outside of the capital, Dakar). To qualify for significant investment incentives, firms must invest above 100 million CFAF (approximately USD 200,000) or in activities that lead to an increase of 25 percent or more in productive capacity. New enterprises are eligible for five years' exoneration from Senegal's payroll tax (eight years from investments outside of Dakar). Investors may also deduct up to 40 percent of retained investment over five years. However, for companies engaged strictly in "trading activities," defined as "activities of resale in their existing state products bought from outside the enterprises," investment incentives might not be available.
- Eligible sectors for investment incentives include agriculture and agro-processing, fishing, animal-rearing and related industries, manufacturing, tourism, mineral exploration and mining, banking, trading complexes, and cultural activities. All qualifying investments benefit from the "Common Regime," which includes two years of exoneration from duties on imports of goods not produced locally for small and medium sized firms, and three years for all others. Also included is exoneration from direct and indirect taxes for the same period.
- Exoneration from the Minimum Personal Income Tax and from the Business License Tax is granted to investors who use local resources for at least 65 percent of their total inputs within a fiscal year. Enterprises that locate in less industrialized areas of Senegal benefit from exemption of the lump-sum payroll tax of three percent, with the exoneration running from five to 12 years, depending on the location of the investment. The investment code provides for exemption from income tax, duties and other taxes, phased out progressively over the last three years of the exoneration period. Most incentives are automatically granted to investment projects meeting the above criteria as well as to those with the "Enterprise Franche d'Exportation" (EFE) status, which is directed at export-oriented firms.
- Furthermore, an existing firm requesting an extension of such incentives must be at least 20 percent self-financed. Large firms -- those with at least 200 million CFA (USD 400,000) in equity capital -- are required to create at least 50 full-time positions for Senegalese nationals, to contribute the hard currency equivalent of at least 100 million CFAF (USD 200,000), and keep regular accounts that conform to Senegalese standards. In addition, firms must provide APIX with details on company products, production, employment and consumption of raw materials. The incentives portfolio for the proposed new Special Economic Zone is not yet known.

- The government does not, by statute, impose specific conditions or performance requirements on investment activities. However, the government does negotiate with potential investors on a case-by-case basis special terms, especially within extractive industries. For example, ArcelorMittal's agreement for the exploitation of iron ore reportedly includes provision for approximately USD 2 billion in investments by Mittal to improve rail and port facilities.
- Acquiring work permits for expatriate staff is typically not an onerous process. Citizens from other WAEMU countries are permitted to work in Senegal.

Right to Private Ownership and Establishment

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- In addition to traditional guarantees offered to investors, e.g., free transfers of capital and income, and national treatment, private entities are permitted to establish and own businesses and to engage in most forms of remunerative activity. Foreign nationals are permitted to buy and hold land. Local majority ownership is not necessary. Several of the state-owned firms privatized in recent years were sold in part or in whole to foreign entities.

Protection of Property Rights

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- The Senegalese Civil Code, based on French law, enforces private property rights. The code provides for equality of treatment and non-discrimination against foreign-owned businesses. Property title and a land registration system exist in Senegal, but application is uneven outside of Senegal's urban areas. Current procedures for registering property are cumbersome and time-consuming, taking an average of 114 days to complete the required steps. The government has announced plans to streamline these procedures and reduce the associated costs in 2008 so that property can be duly registered within 18 days. Investors have also expressed concerns about the lack of investment-ready, developed business sites. Confirming ownership rights on real estate can be difficult, but once established, ownership is protected by law. The government generally pays compensation when it takes private property through eminent domain actions. Senegal's housing finance market is underdeveloped and few long-term mortgage-financing vehicles exist. There is no secondary market for mortgages or other bundled revenue streams. The judiciary is inconsistent when adjudicating property disputes.
- Senegal is a member of the African Organization of Intellectual Property (OAPI), a grouping of 15 francophone African countries, which has established among its member states a common system for obtaining and maintaining protection for patents, trademarks and industrial designs. Senegal has been a member of the World Intellectual Property Organization (WIPO) since its inception. Local statutes recognize reciprocal protection for authors or artists who are nationals of countries adhering to the 1991 Paris Convention on Intellectual Property Rights. In particular:

I. Patents: Patents are protected for 20 years. An annual charge is levied during this period. Trade secrets and computer chip designs are respected.

II. Trademarks: Registered trademarks are protected for a period of 20 years. Trademarks may be renewed indefinitely by subsequent registrations.

III. Copyrights: Senegal is a signatory to the Bern Copyright Convention. The Senegalese Copyright Office, part of the Ministry of Culture, attempts to enforce copyright obligations. The bootlegging of music cassettes and CDs is common and of concern to the local music industry. The Copyright Office undertook actions in 2001, 2002, 2003 and 2006 to combat media piracy, including seizure of counterfeit cassettes and CD/DVDs.

- However, despite an adequate legal and regulatory framework, enforcement of intellectual property rights is weak. In general, the Government lacks the resources or commitment to seize counterfeit goods. Customs screening for counterfeit goods coming from China, Nigeria, Dubai and other centers of illegal production is weak and confiscated goods occasionally re-appear in the market. Nonetheless, there has been a recent effort by Customs to understand the impact of counterfeit products on the Senegalese marketplace, and officers have participated in trainings offered by manufacturers to identify counterfeit products.

Transparency of Regulatory System

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- There is no requirement for public comment process for proposed laws and regulations; however, the Government frequently holds public hearings and workshops to discuss proposed initiatives and programs. The National Assembly, though currently dominated by the ruling party, does host open debates on most substantive legislation.
- In general, the Government of Senegal favors the principles of free competition. However, some foreign and domestic investors believe that the investment climate in Senegal is worsening. Judicial, tax, customs, and other regulatory decisions are frequently inconsistent, tardy and non-transparent. Procurement decisions often fail to follow government guidelines mandating a free and transparent tender process. Weak application of labor laws is seen as a disincentive to investment by foreign investors.

Efficient Capital Markets and Portfolio Investment

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- In general, domestic investment is hampered by an under-developed financial sector. A few French-owned banks with conservative lending guidelines and high interest and collateral requirements dominate bank lending. Claims on the central bank have nearly doubled in the past five years to 800 billion CFAF (USD 1.6 billion), indicating excessive liquidity and insufficient loans in the commercial banking sector. Few firms are eligible for long-term loans, and small and medium sized enterprises have little access to credit. However, because the Senegalese banking sector is dominated by foreign banks, foreign investors can

take advantage of parent banks in France and the United States (Citibank). U.S. firms also have access to U.S. Overseas Private Investment Corporation (OPIC) and Export-Import Bank (EXIMBANK) facilities.

- Private bond issuances are an emerging topic of some interest, but have yet to make a tangible impact on investment in Senegal, with issuances of public bonds equaling USD 260 million in 2007. In general, the infrastructure for expanding business lending, credit risk analysis, skilled commercial law legal specialists and auditors etc . . . does not exist. The West African Regional Stock Exchange (BRVM), headquartered in Abidjan, with local offices in each of the member countries of the West African Economic and Monetary Union (WAEMU or UEMOA) offers member countries additional opportunities to attract increased foreign capital and to give private investors access to more diversified sources of financing. However, to date only two Senegalese companies, Sonatel and ICS, are currently traded on the BRVM. There is no system to encourage and facilitate portfolio investment.
- Legal, regulatory and accounting systems closely follow French models and WAEMU countries present their financial statements in accordance with the SYSCOA system, which is based on Generally Accepted Accounting Principles in France.

Political Violence

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- Senegal is a moderately decentralized republic dominated by a strong Presidency. In February 2007 Abdoulaye Wade was re-elected president in an election generally viewed as free and fair despite sporadic incidences of violence and intimidation. In June the ruling Senegalese Democratic Party (PDS) won the majority of seats in National Assembly in elections that were boycotted by the country's leading opposition parties. In 2006 and 2007, human rights organizations expressed concerns about police harassment and the arbitrary arrest of opposition leaders and journalists. There have been some incidents of sporadic civil disturbances over the past two years, but they have generally taken place as unions, merchants or student demand better salaries or working conditions. Sporadic incidences of violence as result of petty banditry continue in the Casamance region, which has suffered from a two-decade-old conflict ignited by a local rebel movement seeking independence for the region.

Corruption

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- The potential for corruption is a significant obstacle for economic development and competitiveness in Senegal, in spite of the country's anti-corruption laws, regulations, penalties, and agencies. Credible allegations of corruption have been made concerning government procurement, dispute settlement, and decisions by the judiciary as well as regulatory and enforcement agencies. Transparency International, in its 2007 Perceptions of Corruption Index, ranked Senegal 71 out of 180 countries.

- Senegal has several government agencies authorized to fight corruption and fraud. These include “L’Inspection Generale d’Etat,” a cabinet-level office; “La Commission de Verification des Comptes” and “La Cour des Comptes,” and Cotecna S.A., a pre-shipment inspection contractor hired by the Government. At a higher level, President Wade has made numerous pronouncements against corruption, but a significant gap persists between the rhetoric and its implementation. A new procurement code is scheduled for implementation in early 2008, which might reduce the number of projects that are sole-sourced or receive exemptions from following international tender procedures.

Bilateral Investment Agreements

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- Senegal and the U.S. have a Bilateral Investment Treaty, which allows for international arbitration, and U.S. companies entering the Senegalese market should ensure that their contracts with third parties make a provision for binding international arbitration in case of a dispute. The treaty also provides for Most Favored Nation treatment for investors, internationally recognized standards of compensation in the event of expropriation, free transfer of capital and profits, and procedures for dispute settlement, including international arbitration. Senegal has signed similar agreements for protection of investment with France, Switzerland, Denmark, Finland, Spain, Italy, the Netherlands, South Korea, Romania, Japan, and Australia. Senegal has concluded tax treaties with France, Mali, and WAEMU member states. There is currently no tax treaty and no imminent prospect of one between the United States and Senegal.

OPIC and Other Investment Insurance Programs

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- OPIC has been examining possible investments in Senegal but has no current projects. Senegal is a member of the Multilateral Investment Guarantee Agency (MIGA), an arm of the World Bank. In 2008, USAID is scheduled to launch a loan guarantee program for small and medium-sized enterprises in Senegal

Labor

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- Unskilled and semi-skilled labor is abundant in Senegal, but there are relatively few highly-trained workers in the fields of engineering, information systems and management. In-country opportunities for these workers are not numerous, and as a result, many look outside Senegal for employment.
- Relations between employees and employers are governed by the labor code, collective bargaining agreements, company regulations and individual employment contracts. There are two powerful industry associations that represent management’s interests: the National Council of Employers (CNP) and the National Employers’ Association (CNES). The principal labor unions are the National Confederation of Senegalese Workers (CNTS), and the National Association of Senegalese Union Workers (UNSAS), a federation of independent labor unions. Labor issues are often high on the list of complaints by investors.

Foreign-Trade Zones/Free Ports

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- Senegal's Free Trade Zone initiatives have largely been replaced with the Entreprise Franche d'Exportation (EFE), which reduces taxes and provides for duty-free imports as noted above. The Dakar Free Industrial Zone (ZFID) is largely inactive and stopped issuing new licenses in 1999. Firms already located there may continue receiving benefits until 2016. In 2007 the government of Senegal signed an agreement with Jafza International of Dubai to explore the possibility of creating a "special economic zone" outside of Dakar. As of this writing, a final decision on that project has not been announced.

Foreign Direct Investment Statistics

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- The dearth of reliable investment statistics makes it difficult to provide a detailed breakdown of foreign direct investment in Senegal. FDI assessments also tend to not include overseas remittances, estimated at more than one billion dollars per year, which fuel much of the growth in the country's real estate market and also contribute as capital investments in small and medium size businesses.
- APIX reports that in 2007 Senegal received approximately USD50 million in new investments with foreign participation in the agriculture or food-processing sectors. The majority of this capital is from France, which is, overwhelmingly the most important overall foreign investor in Senegal. French interests are dominant in many sectors in the economy. Approximately 235 subsidiaries of French groups are present in Senegal, accounting for 25 percent of all formal enterprises. French investors are present in the major multinational import-export firms, shipping companies, banking, food production, mechanical engineering, agribusiness, petroleum distribution, industrial equipment, vehicles, chemicals and pharmaceuticals, tourism and insurance industries. Privatizations in telecommunications and public utilities have confirmed and increased the predominance of France as Senegal's leading foreign investor with Bouygues present in the water sector and telecommunications giant Orange the operating partner of Sonatel.
- Investments by Senegalese citizens of Lebanese origin are frequently found in light import-substituting industries such as food products, textiles, chemicals, plastics and rubber. Swiss investment is concentrated in food processing with the active presence of the multinational Nestle and a waste management company. Germany, Japan, and South Korea have moderate investments in Senegal. Taiwan was active in Senegal's fish and canning industry. Indian interests have historically been a major investor in Senegal's phosphates industry and purchase nearly all phosphate output, while Mittal's investment in iron ore extraction could be the largest foreign investment in Senegal to date. Moroccan investment has substantially increased since Royal Air Maroc took a controlling interest in Air Senegal International in 2000 and ATTI purchased the majority of shares of Banque Senegalo-Tunisienne (BST) and Compagnie Bancaire de l'Afrique de L'Ouest (CBAO) to become one of the largest

commercial banks of Senegal. In recent years, China has increased its commercial presence in Senegal but has not made significant investments.

- U.S. direct foreign investment in Senegal is estimated at approximately USD 100 million. Significant U.S. investors include General Electric, Crown Manufacturing, Phillip-Morris, Pfizer, and Citibank. In 2006, Delta Airlines began non-stop Atlanta-Dakar service, continuing to Johannesburg, South Africa. In 2007, Colgate-Palmolive closed its Senegalese production facility for toothpaste, soap, and similar products.

Web Resources

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APIX – www.apix.sn

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Chapter 7: Trade and Project Financing

- [How Do I Get Paid \(Methods of Payment\)](#)
- [How Does the Banking System Operate](#)
- [Foreign-Exchange Controls](#)
- [U.S. Banks and Local Correspondent Banks](#)
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How Do I Get Paid (Methods of Payment)

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New-to-market U.S. exporters should request an irrevocable confirmed letter of credit drawn on one of the major banks. Large Senegalese importers often have sources of foreign exchange outside Senegal; consequently, they can offer credit documents issued by non-Senegalese banks. (Insert text here)

How Does the Banking System Operate

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Senegal's banking system is governed by the Central Bank of West African States (BCEAO), a central bank common to the eight members of the West African Economic and Monetary Union (WAEMU or UEMOA). Along with BCEAO, the "Commission Bancaire" is a supranational supervisory entity created in April 1990 to control financial institutions. The eight-member countries use the CFA franc issued by the BCEAO and pegged to the euro at a rate of 100 CFA francs to 152 euro (or 1 euro equals 656 CFA francs). Parity and fixed convertibility are guaranteed by the French Treasury. BCEAO has an operating account at the French Treasury where it is required to hold at least 65 percent of its foreign exchange reserves. These institutional arrangements between the

French treasury and the central bank, combined with a prudent conduct of monetary policy by BCEAO, have yielded several benefits to WAEMU. For one, it has produced low inflation (0.5 percent in 2004 and 2005). Currency convertibility has also attracted foreign investment and increased trade.

The banking system is characterized by the over liquidity of banks and their hesitancy to lend for medium and long-term loans.

The largest commercial banks are predominantly French. Citibank, the only U.S. bank, is specialized in corporate finance. Moroccan banks are also very active. Ecobank has an impressive network spread throughout West and part of Central Africa. Other financial institutions, such as insurance companies, a venture capital firm and a leasing company, are also present here. The International Finance Corporation (IFC), the private sector lending arm of the World Bank, has an office in Dakar.

Foreign-Exchange Controls

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Senegal lifted all restrictions related to foreign exchange controls in 1998. Foreign exchange payments are no longer submitted to the Ministry of Finance for authorization, but are directly executed by Senegal's commercial banks instead. There is free convertibility of the CFA franc via the banking system for commercial transactions. The rate varies daily according to the euro-U.S. dollar rate. CFA franc banknotes are not legal tender outside of the WAEMU. Travelers may exchange foreign currency for CFA francs without limit at commercial banks. Outgoing travelers may obtain a maximum of CFAF 6,000,000 in euros or other foreign currencies or travelers checks, upon presentation of a valid airline ticket at banks or at privately run foreign exchange bureaus

U.S. Banks and Local Correspondent Banks

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Citibank is the only U.S. bank with a presence in the country.

Project Financing

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The African Development Bank (AfDB) and the World Bank finance public projects dealing with infrastructure. AfDB is currently putting a great emphasis on private sector financing. The private sector-lending arm of the World Bank, the International Finance Corporation, has financed major infrastructure projects. The West African Development Bank and the Islamic Development Bank are also very active.

The U.S. Trade and Development Agency, along with the AFDB, offers funds for feasibility studies, and TDA has financed several studies in Senegal in recent years, most recently to a private sector concern for a potential agro-processing facility.

Web Resources

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Export-Import Bank of the United States: <http://www.exim.gov>

Country Limitation Schedule: http://www.exim.gov/tools/country/country_limits.html

OPIC: <http://www.opic.gov>

Trade and Development Agency: <http://www.tda.gov/>

SBA's Office of International Trade: <http://www.sba.gov/oit/>

\$A Commodity Credit Corporation: <http://www.fsa.usa.gov/cc/default.htm>

U.S. Agency for International Development: <http://www.usaid.gov>

The African Development Bank: <http://www.afdb.org>

The International Finance Corporation: <http://www.ifc.org>

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Chapter 8: Business Travel

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- [Travel Advisory](#)
- [Visa Requirements](#)

Business Customs

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- Senegal's business customs are very much derived from French business customs. Americans should expect a high level of sophistication among the Senegalese businesspersons.
- The official business attire is suit and tie, even during the hottest months of the year (June-November).
- The Senegalese concept of Teranga transpires in the business dealings and contacts. The concept centers on a philosophy that welcomes other nationalities to share the Senegalese culture. In a business environment, Senegalese are welcoming and they usually don't say no even though they are not in a position to deliver what they have promised.

Travel Advisory

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- Although a cease-fire agreement was signed in December 2004 between Casamance separatists and the Senegalese military, the U.S. Embassy in Dakar advises U.S. citizens to plan carefully all travel to parts of the Casamance region of southern Senegal, excluding the City of Ziguinchor and the resort area of Cap Skirring. Throughout the history of the insurgency, there have been few incidents of fighting within the Ziguinchor area. In recent years, however, rural areas have been the sites of sporadic violent attacks on Senegalese military and civilian personnel and, on rare occasions, tourists.
- U.S. citizens contemplating travel to the Casamance area are urged to contact the U.S. Embassy in Dakar for the latest safety and security information. In addition to a prolonged insurgency, armed bandits and land mines present a threat to travelers and residents in rural areas of the Casamance. The U.S. Embassy recommends that U.S. citizens not drive in certain areas of the Casamance. There are sporadic flights between Dakar and Ziguinchor, and charter flights are available to Cap Skirring from Europe.
- Due to the potential for violence, U.S. citizens should avoid political gatherings and street demonstrations, and maintain security awareness at all times.
- For the latest security information, Americans traveling abroad should regularly monitor the Department's Internet web site at <http://travel.state.gov> where the current [Worldwide Caution Public Announcement](#) , [Travel Warnings and Public Announcements](#) can be found.
- Up-to-date information on security can also be obtained by calling 1-888-407-4747 toll free in the United States, or, for callers outside the United States and Canada, a regular toll line at 1-317-472-2328. These numbers are available from 8:00 a.m. to 8:00 p.m. Eastern Time, Monday through Friday (except U.S. federal holidays). (Insert text here)

Visa Information

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- A passport and proof of return/onward ticket is required. A visa is not required for stays of less than 90 days. Evidence of a vaccination for yellow fever may be required at the port of entry.
- In an effort to prevent international child abduction, many governments have initiated procedures at entry/exit points. These often include requiring documentary evidence of relationship and permission for the child's travel from the parent(s) or legal guardian present. Having such documentation on hand, even if not required, may facilitate entry/departure.
- Travelers should obtain the latest information on entry requirements from the Embassy of Senegal, 2112 Wyoming Avenue, N.W., Washington, D.C. 20008, telephone (202) 234-0540. Overseas inquiries should be made at the nearest Senegalese embassy or consulate.

- **Work and Residency Permits:** American citizens who expect to work in Senegal for an extended period of time must apply for a work permit (carte de séjour) at the local immigration office located at the Ministry of Interior. The following documents should support the application:
 - . Photocopy of the passport
 - . Birth certificate
 - . Police or criminal record
 - . Completed application form
 - . Proof of employment (a businessperson should submit the statutes of his/her company, and a deportation bond of approximately \$175 reimbursable at the time of departure from Senegal)
 - . Medical certificate
 - . Fiscal stamps worth \$20.
- U.S. Companies that require travel of foreign businesspersons to the United States should be advised that security options are handled via an interagency process. Visa applicants should go to the following links.

State Department Visa Website: <http://travel.state.gov/visa/index.html>

United States Visas.gov: <http://www.unitedstatesvisas.gov/>

U.S. Embassy Dakar: <http://dakar.state.gov>

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Chapter 9: Contacts, Market Research, and Trade Events

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- [Trade Events](#)

Contacts

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American Chamber of Commerce in Senegal – www.amchamsen.org
 Agence de Promotion des Investissements et des Infrastructures (APIX) – www.apix.sn
 Dakar Chamber of Commerce and Industry www.cciad.sn
 Trade Point Senegal – www.tpsnet.org
 CNP - The National Council of Business Leaders: www.cnp.sn
 CNES - The National Employers' Association www.cnes.sn
 Economic section – French Embassy www.missioneco.org/senegal/

U.S. Embassy Resources

U.S. Embassy Dakar, Senegal

Washington, DC 20521-2130
Tel: (221) 33-823-42-96
Fax: (221) 33-842-98-21
(The U.S. Embassy is located in downtown Dakar on Ave. Jean XXIII)

U.S. Commercial Service – U.S. Embassy

Steve Morrison, Regional Senior Commercial Officer
Email: Steve.Morrison@mail.doc.gov

Youhanidou Wane, Commercial Specialist
Email: Youhanidou.Wane.Ba@mail.doc.gov

Medina Sy, Administrative Assistant
Email: Medina.Sy@mail.doc.gov

- <http://www.afdb.org> (African Development Bank)
- <http://www.worldbank.org> (World Bank)
- <http://www.banquemondiale-senegal.org>
- <http://www.imf.org/> (International Monetary Fund)
- <http://www.ifc.org> (International Finance Corporation)
- <http://www.gouv.sn> (the official web site of the Senegalese government)
- <http://www.missioneco.org/senegal> (the official web site of the economic bureau of the French Embassy in Senegal)
- <http://www.dree.org/senegal> (The Economic Service at Dakar's French Embassy)
- <http://www.africacncl.org> (the Corporate Council on Africa)
- <http://www.odci.gov/cia> (the CIA World Factbook)
- <http://www.apix.sn> (The Investment Promotion Agency) (*French/English*)
- <http://www.mbendi.co.za/land/af/sn/p0005.htm> (Mbendi's website is specialized on mining, energy and international trade) (*French/English*)
- <http://www.cifas.sn/> (CIFAS is the french investors club in Senegal) (*French*)
- <http://www.izf.net/izf/Guide/Senegal/Default.htm> (A practical guide for doing business in Senegal) (*French*)
- <http://www.tpsnet.org/> Trade point Senegal (*French*)

Market Research

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To view market research reports produced by the U.S. Commercial Service please go to the following website: <http://www.export.gov/marketresearch.html> and click on Country and Industry Market Reports.

Please note that these reports are only available to U.S. citizens and U.S. companies. Registration to the site is required, but free of charge.

Trade Events

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Please click on the link below for information on upcoming trade events.

<http://www.export.gov/tradeevents.html>

www.sencoman.sn

www.cices.sn

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Chapter 10: Guide to Our Services

The U.S. Commercial Service offers customized solutions to help your business enter and succeed in markets worldwide. Our global network of trade specialists will work one-on-one with you through every step of the exporting process, helping you to:

- Target the best markets with our world-class research
- Promote your products and services to qualified buyers
- Meet the best distributors and agents for your products and services
- Overcome potential challenges or trade barriers

For more information on the services the U.S. Commercial Service offers U.S. businesses, please click on the link below.

<http://www.buyusa.gov/westafrica/en/7.html>

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U.S. exporters seeking general export information/assistance or country-specific commercial information should consult with their nearest **Export Assistance Center** or the **U.S. Department of Commerce's Trade Information Center** at **(800) USA-TRADE**, or go to the following website: <http://www.export.gov>

To the best of our knowledge, the information contained in this report is accurate as of the date published. However, **The Department of Commerce** does not take responsibility for actions readers may take based on the information contained herein. Readers should always conduct their own due diligence before entering into business ventures or other commercial arrangements. **The Department of Commerce** can assist companies in these endeavors.